



If you own or operate a petroleum storage tank in Nevada **You Should Know the Answers to the Most Frequently Asked Questions about the State of Nevada Petroleum Fund**

1. How often must I renew my enrollment in the Petroleum Fund (Fund)?

Your enrollment must be renewed each year. If your facility is currently enrolled, the Nevada Division of Environmental Protection (NDEP) will generate an invoice for \$100 per tank system. This invoice will be mailed out and also made available online at <https://nevadaenvironmentalactivities.ndep.nv.gov>. NDEP must receive your payment on or before Oct. 1st. Our enrollment year starts Oct. 1 and ends Sept. 30.

2. What happens if I pay late one year or forget to enroll for a year or two?

During this time, you are not enrolled in the Fund. According to Nevada State law, the Fund cannot grant coverage for a leaking petroleum tank system that is not enrolled at the time of release discovery. If your enrollment lapses, you can be re-enrolled into the Fund only after you: (a) remit the \$100 tank registration fee to the Fund and (b) submit NDEP-approved documentation that the tank and product lines are not currently leaking. Please Note: A 20% reduction to Fund coverage may be applied to UST systems for which a release is discovered during the same fiscal year a lapse in enrollment occurs.

3. How do I enroll my facility in the Fund for the first time or after an enrollment lapse?

- To get started, you will need to access the Fund's interactive online database located at <https://nevadaenvironmentalactivities.ndep.nv.gov>
- Log in or Create an Account. (If you are creating an account, the Petroleum Fund administrators will review it and notify you once it is active.)
- After logging in, click on the Organization tab to add your facility, and complete the appropriate notification form (e.g. 7530-1 form for regulated USTs).
- When the Facility has been added to your account, you will be prompted to submit an enrollment request for the tanks at your facility.
- Submit an enrollment request to generate your invoice and make sure to upload documentation demonstrating your tank system(s) are not leaking.
- Seven days after the receipt of payment and upon receipt of documentation demonstrating your tank(s) and associated piping are not leaking, your Certificate of Enrollment will be available for view/print/download.

If, during this process you would like more information, please see our User Guides! Additionally, if you have questions or need assistance call Petroleum Fund staff at (775) 687-9368.

4. What happens if I sell my facility? Is the new owner automatically enrolled?

No. The new owner must enroll the facility with the Fund.

5. What does Fund enrollment entitle me to?

Your enrollment allows you to submit an application for Fund coverage upon discovery of an accidental release from the enrolled tank system. The tank system includes the petroleum tank and its associated equipment such as the turbine pump and product piping; however, the Fund does not cover costs related to tank and piping removal, replacement, or repair of these systems.

6. How much coverage does the Fund provide?

If you have full coverage, the Fund will pay up to \$1 million less a 10% applicable co-payment for each leaking regulated tank system.

Most Frequently Asked Questions about the Fund

7. Under what circumstances may NDEP reduce or deny coverage?

- a. NDEP will recommend coverage be reduced by as much as 40% if you do not comply with applicable state and federal regulations. For operators of underground storage tank systems (USTs) this includes maintaining financial responsibility requirements, leak detection requirements, and leaking underground storage tank (LUST) regulations for release reporting, response, and corrective actions.
- b. NDEP will not cover releases:
 - i. for tanks not enrolled with the Fund at the time of release discovery
 - ii. due to product overfills and spills
 - iii. due to negligence
 - iv. that were intentional
 - v. occurring above the shear valve, located at the base of the above-ground product dispenser

8. If my tank systems are in compliance with all regulations, do I have to pay anything at all when a leak occurs, if I am granted coverage?

Yes. For most tank systems, you must pay a 10% co-payment for clean-up costs. For a single tank with full coverage of \$1 million, your share could be up to \$100,000, paid in 10% increments with each claim. For residential heating oil tanks with full coverage of \$250,000, you are responsible for a \$250 deductible.

9. Does the Petroleum Fund pay for all clean-up activities?

No. The Fund reimburses for eligible cleanup activities performed by your environmental consultant, which must be approved by a regulatory agency/case officer. The Fund also does not pay for costs associated with identification of the release source.

10. Can you summarize what I should do when I suspect a release?

- a. Identify the source and discontinue use of equipment associated with the product release. Report the suspected release to NDEP within 24 hours at (888) 331-6337.
- b. Keep your invoices and receipts for all characterization and remediation activities.
- c. NDEP will evaluate your application for coverage and associated facility records to determine if, and to what extent, coverage can be granted. You will then be notified of the NDEP's recommendation.
- d. With the assistance of a state certified environmental manager (CEM), submit a work plan to the appropriate agency for regulatory approval.
- e. Submit a Not-to-Exceed-Cost-Proposal (NTEP) to NDEP for review via the Fund's online database.
- f. Submit your initial claim to NDEP within 12 months of release discovery to become eligible for Fund reimbursement.
- g. NDEP will present a reimbursement recommendation for the claim to Nevada Board to Review Claims (Board). Board meetings take place quarterly throughout the year.
- h. Once the Board approves your claim, you will receive reimbursement of the claim electronically in your bank account.

11. Will I have to report reimbursements received from the Petroleum Fund as income?

Recipients of Petroleum Fund reimbursements of \$600 or more may be issued a federal 1099 Misc form by the State of Nevada Controller's office. You and your tax advisor will have to determine if and how to report your reimbursement to the Internal Revenue Service (IRS).

12. Sounds complicated. Where can I get more information?

For more information about the Fund, contact NDEP's Petroleum Fund Branch at (775) 687-9368 or visit our website at: <https://ndep.nv.gov/environmental-cleanup/petroleum-fund>